



North Carolina Economic Update

January 28, 2016

Summary

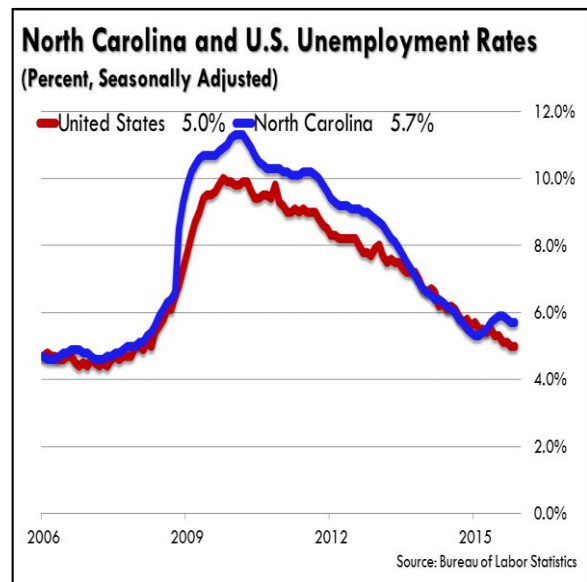
Nonfarm payroll employment in North Carolina increased by 6,900 jobs and the unemployment rate fell to 5.6 percent in December according to data released by the Bureau of Labor Statistics (BLS).

North Carolina Unemployment Rate

During December, the unemployment rate in North Carolina fell to 5.6 percent. The number of people counted as unemployed decreased by 800 in December to 269,900, while the labor force increased by 16,800, to 4,792,200.

The 10-year peak for the unemployment rate in North Carolina was 11.3 percent in March 2010, which also represents the series high. The 10-year low for the unemployment rate in North Carolina was 4.6 percent in April 2007. The series low for the unemployment rate in North Carolina occurred in March 1988 when the unemployment rate reached 3.0 percent. BLS began publishing the state unemployment rate series in 1976.

The national unemployment rate was unchanged at 5.0 percent in December. December's unemployment rate was 0.6 percentage point lower than a year earlier. The 10-year high for the national unemployment rate was 10.0 percent in October 2009. The 10-year low was 4.4 percent in May 2006.



North Carolina Payroll Employment

North Carolina nonfarm payrolls increased by 6,900 jobs, or 0.2 percent, on a seasonally adjusted basis during December. In the prior month, nonfarm payrolls increased by 15,400. Over the past 12 months nonfarm payrolls in North Carolina increased by 86,800, or 2.1 percent. North Carolina nonfarm payroll employment has increased in 8 of the past 12 months.

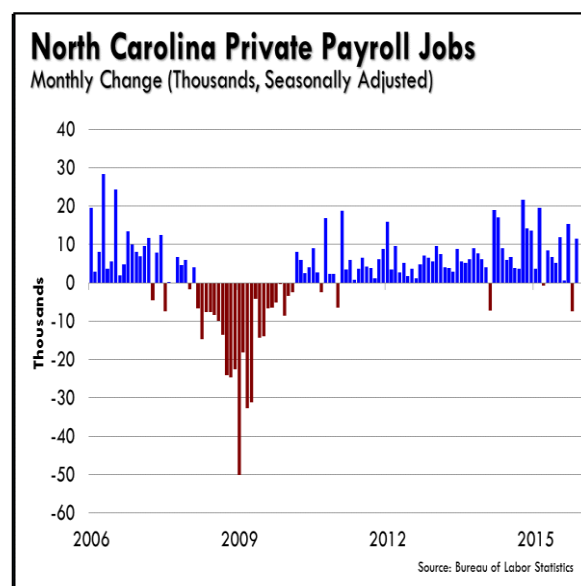
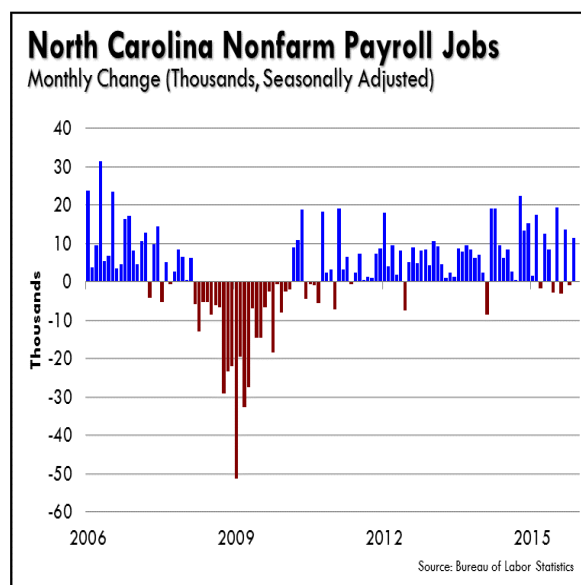
Nationally nonfarm payrolls rose by 292,000 in December, or 0.21 percent. Over the 12-month period ending in December 2015 nonfarm payrolls have increased by 2,650,000 jobs, or 1.9 percent.

During December, North Carolina private-sector payrolls increased by 6,500, or 0.2 percent. Private-sector payrolls increased by 15,800 jobs in the prior month. Over the past 12 months, private-sector payrolls in North Carolina increased by 85,500, or 2.5 percent. North Carolina private-sector payroll employment has increased in 10 of the past 12 months.

Nationally, private-sector payroll jobs increased by 275,000 in December, or 0.23 percent. Over the past 12 months, the nation's economy has added 2,551,000 jobs in the private sector, an increase of 2.1 percent.

During December, total government payroll employment in North Carolina increased by 400, or 0.1 percent. Federal government payroll employment increased by 300, or 0.4 percent. State government payroll employment decreased by 700, or 0.3 percent, while local government payroll employment increased by 800, or 0.2 percent.

Over the past year, total government payroll employment increased by 1,300, or 0.2 percent. State government payroll employment decreased by 1,700, or 0.8 percent. Local government payroll employment increased by 1,800, or 0.4 percent.



The best performing sectors on a seasonally adjusted basis during December were Leisure and Hospitality (+6,300) and Construction (+3,200). The poorest performing sectors during the month were Education and Health Services (-2,500) and Manufacturing (-2,100).

The best performing sectors during the last twelve months were Professional and Business Services (+19,200) and Leisure and Hospitality (+13,700). The poorest performing sectors for the year were Government (+1,300) and Manufacturing (+4,700).

Other North Carolina Labor Force Statistics

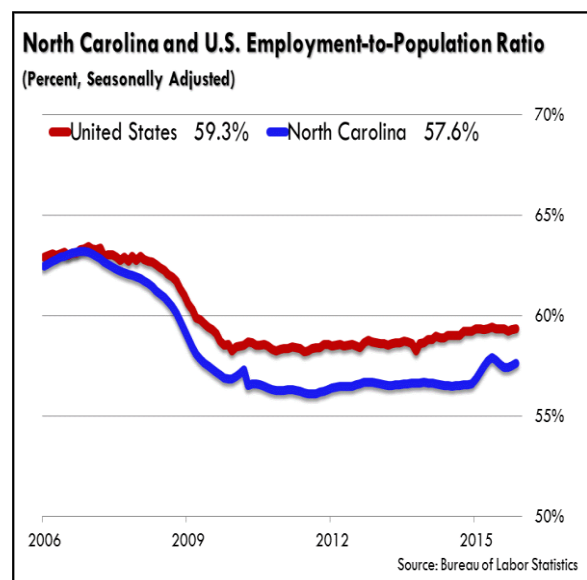
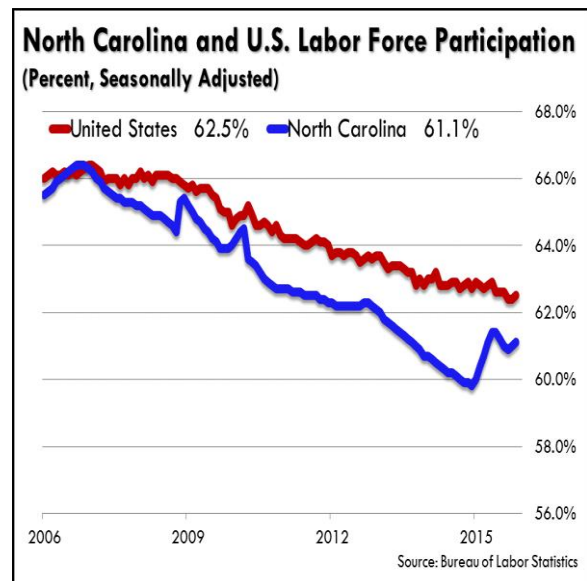
The labor force participation rate in North Carolina increased to 61.3 percent in December. The labor force participation rate in North Carolina is up from a year earlier. The labor force participation rate is the percentage of the civilian noninstitutionalized population age 16 and older who are employed or actively looking for work.

The 10-year high for the labor force participation rate in North Carolina was 66.4 percent in November 2006. The series high for the labor force participation rate in North Carolina occurred in December 1989, when the labor force participation rate hit 69.0 percent. The 10-year low for the labor force participation rate was 59.8 percent in December 2014, which also represents the series low.

The national labor force participation rate increased to 62.6 percent in December. That rate was 0.1 percentage point lower than a year earlier. At 62.6 percent, the labor force participation rate remains near its post-recession low.

The employment-to-population ratio, or the percentage of the North Carolina civilian noninstitutionalized population 16 years and older counted as employed, increased to 57.8 percent in December.

The 10-year high for the employment-to-population ratio in North Carolina was 63.2 percent in November 2006. The series high for the employment-to-population ratio in North Carolina occurred in December 1989 when the employment-to-population ratio hit



66.7 percent. The 10-year and series low for the employment-to-population ratio was 56.1 percent in August 2011.

The national employment-to-population ratio rose by 0.1 percentage point to 59.5 percent in December. That rate was 0.3 percentage point higher than a year earlier, and 0.1 percentage point higher than it was when the recession ended in June 2009. The all-time high for the employment-to-population ratio was 64.7 percent in April 2000. The 10-year high for the employment-to-population ratio was 63.4 percent in December 2006. The recent low occurred in October 2013 when the employment-to-population ratio dipped to 58.2 percent. The last time the employment-to-population posted a reading lower than 58.2 percent was July 1983.

State employment and unemployment data for January is scheduled for release on March 14th. The national employment situation report for January will be released on Friday, February 5th.